
Public Utilities Commission of the State of California

Public Agenda 3233

Thursday, May 7, 2009 10:00 a.m.

San Francisco, California

Commissioners

Michael R. Peevey, President

John A. Bohn

Rachelle B. Chong

Dian M. Grueneich

Timothy Alan Simon

For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.

Website: <http://www.cpuc.ca.gov>

Scheduled Commission Meetings

505 Van Ness Avenue, San Francisco

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| <i>Ratesetting Deliberative Meeting*</i> Room 5305 (1:30 p.m.) <i>Closed to the Public</i> | <i>Commission Meeting</i> Auditorium (10 a.m.) <i>Open to the Public</i> |
| Monday, May 18, 2009 (San Francisco) | Thursday, May 07, 2009 (San Francisco) |
| Monday, June 01, 2009 (San Francisco) | Thursday, May 21, 2009 (San Francisco) |
| Monday, June 15, 2009 (San Francisco) | Thursday, June 04, 2009 (San Francisco) |
| Monday, July 06, 2009 (San Francisco) | Thursday, June 18, 2009 (San Francisco,) |
| Monday, July 27, 2009 (San Francisco) | Thursday, July 09, 2009 (San Francisco) |

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

Matters of Public Interest

For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.

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PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda.
- 5, 9, 11, 12, 20, 22, 28, 29

Public Comment:

Consent Agenda

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

Consent Agenda - Orders and Resolutions

1

Res ALJ-176-3233

[8466]

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Rule 7.1 of the Commission's Rules of Practice and Procedure.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381945

Consent Agenda - Orders and Resolutions (continued)

2 A08-08-021 - Golden State Water Company, Bear Valley Electric Service Division (Applicant).

[8390]

This decision (D) addresses Applicant's request for advanced approval of the terms and conditions of a proposed Power Purchase Agreement with Shell Energy North America L.P. (Shell). The application was amended on November 10, 2008, upon execution of transactions between the Applicant and Shell which were included only as proposals in the original application. The Commission finds that the Applicant is still subject to an existing ratemaking settlement agreement adopted in D02-07-041 which included a cost cap to be in effect until the earliest of either August 31, 2011 or certain other conditions are met. Therefore, subject to the ratemaking settlement, the agreement is recoverable in rates without further review through August 31, 2011. The Commission declines to approve rate recovery for the residual portion of the Shell agreement in effect after August 31, 2011 beyond the period covered by the restrictions of the existing settlement. Cost recovery after August 31, 2011 will depend upon the Applicant demonstrating prudent management of the contract. The Commission also grants the Applicant's additional request to create a memorandum account to record unrealized gains and losses on the Shell Agreement. This proceeding is closed.

(Comr Simon - ALJ Long)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

Agenda 3232, Item 10 4/16/2009 (Bohn)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382709

3 A08-12-014 - Pacific Gas and Electric Company (Applicant).

[8351]

This decision grants the Applicant's request to increase its authority to finance short-term borrowing needs and procurement-related collateral costs by \$1.5 billion to an aggregate amount not to exceed \$4.0 billion. This proceeding is closed.

(Comr Bohn - ALJ Pulsifer)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

Agenda 3231, Item 12 3/26/2009 (Simon);

Agenda 3232, Item 3 4/16/2009 (Simon)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380282

4 A08-10-013 - Pacific Gas and Electric Company (Applicant).

[8410]

For approval of Long-Term Gas Transportation Agreement. This decision finds execution of two long-term contracts between Applicant and Pilkington North American to be just, reasonable and within Applicant's authority. The discount rate provided for in the contents shall not be offered unless and until the proposed project is completed. This proceeding is closed.

(Comr Bohn - ALJ Farrar)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382071

Consent Agenda - Orders and Resolutions (continued)

- 5**
[8417] **C08-06-020 - Lynn Stanghellini, Terrie Christiansen, Ken Rose, Bobbie Rose, Patricia Marchand and Ann Geraghty (collectively, Complainants) vs. San Jose Water Company.**
This decision grants the Complainants' request for a solution to low water pressure but denies request to increase water pressure in a nearby hydrant. This proceeding is closed.
(Comr Bohn - ALJ DeBerry)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381864
- 6**
[8428] **Res USRB-2**
This resolution grants Pacific Gas and Electric Company a variance from General Order 95, Rule 34, by allowing government-owned cameras and gun shot detectors to be treated as permanent attachments to electric distribution poles and both overhead and underground street lights poles.
(Exam Clark)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382480
- 7**
[8430] **Res E-4230 - Southern California Edison Company (SCE).**
This resolution approves without modification SCE's request for two new renewable resource procurement contracts with FlexEnergy, LLC relating to power plants in the Bena Sanitary Landfill in Edison, California and the San Timoteo Landfill in Redlands, California. (Advice Letter (AL) 2294-E filed, December 5, 2008 and AL 2294-E-A filed, March 16, 2009)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381878
- 8**
[8441] **Res W-4758 - Alco Water Company, Salinas District (Alco).**
This resolution authorizes Alco a surcharge of \$1.44 for twelve months for recovery of its power cost memorandum account for a total of \$150,126.98, and requiring Alco to file for review of its purchased power reserve account in the next general rate case. (Advice Letter 126 filed, January 5, 2009)
Pub. Util. Code § 311 – This item was mailed for Public Comment.
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=377111

Consent Agenda - Orders and Resolutions (continued)

9 **C07-08-033 - Utility Consumer's Action Network (Complainant) vs. AT&T Mobility LLC**
[8447] **dba New Cingular Wireless PCS, LLC, fka Cingular Wireless and related entities**
collectively, AT&T (Defendant).

This decision approves a settlement agreement between the Complainant and the Defendant and dismisses this complaint with prejudice. This proceeding is closed.

(Comr Simon - ALJ Walwyn)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382086

10 **A08-09-010 - Golden State Water Company (Applicant).**

[8448] For authority to implement changes in Ratesetting Mechanisms and Reallocation of Rates for its Region I service area. This decision approves a settlement agreement between the Applicant and the Commission's Division of Ratepayer Advocates authorizing changes in rate design and ratesetting mechanisms, in order to promote conservation. This proceeding is closed.

(Comr Bohn - ALJ Weatherford)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381381

11 **I02-06-003 - Investigation on the Commission's Own Motion into the operations, practices,**
[8451] **and conduct of Pacific Bell Wireless LLC dba Cingular Wireless, and related entities**
(collectively, Cingular) to determine whether Cingular has violated the laws, rules and
regulations of this State in its sale of cellular telephone equipment and service and its
collection of an Early Termination Fee and other penalties from consumers.

This decision grants the unopposed motion of the Utility Consumers' Action Network for distribution of the residue of two previously established Reparations Funds to the Telecommunications Consumer Protection Fund. The residue, which was \$1.056 million (as of January 31, 2009), comprises approximately 5% of the total amount paid in restitution (\$13.778 million as of January 31, 2009) plus approximately \$4.075 million, the sum expected to escheat to the state in accordance with law. The residue is not subject to escheat. It consists solely of monies that were never converted to checks and as further explained herein, cannot be traced to identified persons or entities known to be eligible for restitution. This proceeding is closed.

(Comr Peevey - ALJ Vieth)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E20871

Consent Agenda - Orders and Resolutions (continued)

12 **I06-06-014 - Investigation on the Commission's Own Motion into the practices of Southern**
[8454] **California Edison Company (SCE) to determine the Violations of the Laws, Rules, and**
Regulations Governing Performance Based Ratemaking, its monitoring and reporting to the
Commission, refunds to customers and other relief, and Future Performance Based
Ratemaking for this Utility.

The Settlement Agreement (Settlement) resolves all Performance-Based Ratemaking (PBR) Order Instituting Investigation Phase 2 issues. The primary provisions of the Settlement are: (1) SCE shall credit \$4.0 million to the distribution subaccount of SCE's existing Base Revenue Requirement Balancing Account (BRRBA). Ratepayers will receive the credit as a reduction to SCE's distribution rates when the BRRBA is amortized in rates; (2) SCE shall forgo its claim for a net system reliability reward of \$2 million, which is comprised of a reward of \$5 million for Frequency in 2001 and a penalty of \$3 million for average customer minutes of interruption in 2003; and (3) SCE agrees that it will not propose any PBR customer satisfaction or employee safety shareholder incentive mechanism before the completion of its 2015 General Rate Case cycle. The Settlement is approved. This proceeding is closed.

(Comr Peevey - ALJ Barnett)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=E20868

13 **A09-02-011 - Levon Arutyunyan and Edmond Avedisian dba E&E Airport Shuttle, Inc.**
[8455]

This decision authorizes Levon Arutyunyan to purchase all of the outstanding shares of stock of E & E Airport Shuttle, Inc., a passenger stage corporation, from Edmond Avedisian. This proceeding is closed.

(Exam Clark)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=379091

14 **A08-12-008 - Embarq Corporation, Embarq Communications Inc., Embarq Payphone**
[8457] **Services Inc., CenturyTel, Inc., Cajun Acquisition Company, CenturyTel of Eastern Oregon,**
Inc. and CenturyTel Long Distance, LLC (collectively, joint Applicants).

This decision approves joint Applicants' request of a transaction in which CenturyTel, Inc., through an intermediate merger with a newly formed merger sub, will obtain indirect control of Embarq Corporation. The Commission finds that the application satisfies the requirements for indirect acquisition and control of California utilities pursuant to Public Utilities Code Section 854, subdivision (a) and approves the proposed transaction. This application is closed.

(Comr Chong - ALJ Ryerson)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382471

Consent Agenda - Orders and Resolutions (continued)

- 15** **A08-12-025 - San Jose Water Company (Applicant).**
[8462] This decision authorizes the Applicant to issue and sell up to \$90 million of debt securities. This proceeding is closed.
 (Comr Bohn - ALJ O'Donnell)
 Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.
 http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=377663
- 16 (Rev.)** **Res W-4759 - Del Oro Water Company, River Island District (DORI).**
[8468] This resolution authorizes a general rate increase for DORI producing annual revenues of \$159.128 or 67.6% in 2009.
 05/04/2009 - This revision was not shown on the Agenda mailed to the public.
 http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=379098
- 17** **Res W-4760 - Del Oro Water Company, Paradise Pines District (DOWCPPD).**
[8469] This resolution authorizes a general rate increase for DOWCPPD producing additional revenues of \$341,135 or 22.8% for test year 2009.
 http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380579
- 18** **Res W-4761 - Del Oro Water Company, Walnut Ranch District .**
[8470] This resolution authorizes the Colusa Industrial Park Intertie Project (Project). The Project is estimated to cost \$348,408 and increase the average monthly customer bill by 113% phased in over six years (approximately 18.83% each year). (Advice Letter 188 filed, June 6, 2008)
 http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382825
- 19** **Res W-4763 - Alisal Water Corporation, Salinas District (Alco).**
[8473] This resolution authorizes Alco a surcharge of \$2.78 for twenty-four months for recovery of its Order Instituting Investigation Memorandum Account for a total of \$580,873.56 and in compliance with the United States District Court orders, a sur-credit of \$1.02 for twenty-four months for a total of \$212,000. (Advice Letter 120 filed, October 27, 2008)
 http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380417

Consent Agenda - Orders and Resolutions (continued)**20** (ECP) C09-01-004 - Allan S. Cooperman (Complainant) vs. New Cingular Wireless PCS,
[8484] LLC, fka AT&T Wireless Services, Inc. (Defendant).

This decision denies Complainant's request for a refund of \$585.58 for calls he did not make. Defendant billed correctly. This proceeding is closed.

(Comr Chong - ALJ Barnett)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=379297

21 R07-09-007 - Order Instituting Rulemaking to amend General Order 118 regarding the
[8487] appropriate size materials, including ballast rock used in railway switching yards for occupational health and safety.

This decision extends the statutory deadline for resolution of this rulemaking to July 20, 2009. Parties have reached settlement, but the assigned Administrative Law Judge has issued a ruling seeking additional information. The deadline for responses to the ruling is May 11, 2009. This proceeding remains open.

(Comr Grueneich - ALJ Rochester)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380848

Consent Agenda - Intervenor Compensation Orders

22 (Rev.)

[8370]

C07-03-006 - Carole Dominguez vs. Pacific Gas and Electric Company (PG&E).

This decision (D) awards \$33,363.84 in compensation to Californians for Renewable Energy for its substantial contribution to D08-02-001. The award is reduced by \$18,109.50 (35%) from the amount requested due to: the disallowance of routine travel to the Commission, reduced hourly rates for two attorneys, unproductive hours and a reduction in excessive hours to reflect the Commission's standards of reasonableness. Today's award will be paid by PG&E. This proceeding is closed.

(Comr Simon - ALJ Prestidge)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.

Agenda 3232, Item 38 4/16/2009 (Staff)

05/06/2009 - This revision was not shown on the Agenda mailed to the public.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382609

23

[8380]

R06-05-027 - Order Instituting Rulemaking to continue implementation and administration of California Renewables Portfolio Standard Program.

This decision (D) awards Sustainable Conservation \$21,482.75 in compensation for its substantial contributions to D07-07-027. Today's award is allocated to the three largest affected utilities for payment. This proceeding is closed.

(Comr Peevey - ALJ Division)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

Agenda 3231, Item 34 3/26/2009 (Bohn);

Agenda 3232, Item 42 4/16/2009 (Grueneich)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=380840

24

[8388]

A07-12-021 - Pacific Gas and Electric Company (PG&E).

For authorization to enter into long-term natural gas transportation arrangements with Ruby Pipeline, for cost recovery in PG&E's Gas and Electric Rates and nonbypassable surcharges, and for approval of Affiliate Transaction. This decision (D) awards \$8,116 to Californians for Renewable Energy (CARE) for its substantial contributions to D08-11-032. The award is \$47,536 (85%) less than CARE requested due to a lack of substantial contributions, excessive hours, and excessive hourly rates. Today's award will be paid by PG&E. This proceeding remains open to address (1) requests for compensation filed by other intervenors, and (2) an application to rehear D08-11-032 filed by Gas Transmission Northwest Corporation.

(Comr Simon - ALJ Kenney)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

Agenda 3232, Item 43 4/16/2009 (Staff)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382532

Consent Agenda - Intervenor Compensation Orders (continued)**25 A07-12-021 - Pacific Gas and Electric Company (PG&E).**

[8419]

For authorization to enter into Long-Term Natural Gas Transportation Arrangements with Ruby Pipeline, for cost recovery in PG&E's gas and electric rates and nonbypassable surcharges, and for approval of Affiliate Transaction. This decision (D) awards \$1,534.26 to Aglet Consumer Alliance (Aglet) for its substantial contributions to D08-11-032. The award is \$2,760.00 (64%) less than Aglet requested because most of its work did not result in a substantial contribution to D08-11-032. Today's award will be paid by PG&E. This proceeding remains open to address a pending application to rehear D08-11-032.

(Comr Simon - ALJ Kenney)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381262

26 I07-01-022 - Order Instituting Investigation to consider policies to achieve the Commission's Conservation Objectives for Class A Water Utilities.

[8460]

A06-09-006, A06-10-026, A06-11-009, A06-11-010, A07-03-019 - Related matters. This decision (D) awards \$110,949.50 in intervenor compensation to The Utility Reform Network for its substantial contributions to D08-02-036 and D08-08-030. This represents a decrease of \$2,510.50 (2%) from the amount requested due to the disallowance of hours related to routine travel and related expenses. This proceeding remains open to address other matters.

(Comr Bohn - ALJ Grau)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=378101

27 R08-07-011 - Order Instituting Rulemaking to Develop the Commission's Energy Efficiency Strategic Plan.

[8461]

A08-06-004 - Related matters. This decision (D) awards The Utility Reform Network \$56,338.40 in intervenor compensation for substantial contribution to D08-09-040 in consolidated proceeding regarding long-term energy efficiency strategic planning. These proceedings are closed.

(Comr Grueneich - ALJ Gamson)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=378734

Consent Agenda - Intervenor Compensation Orders (continued)**28**
[8463] **I07-01-022 - Order Instituting Investigation to consider policies to achieve the Commission's Conservation Objectives for Class A Water Utilities.**

A06-09-006, A06-10-026, A06-11-009, A06-11-010, A07-03-019 - Related matters. This decision (D) awards Disability Rights Advocates \$82,299.26 in compensation for its substantial contributions to D08-02-036 and D08-08-030. This award represents a decrease of \$2,120 (3%) from the amount requested due to the disallowance of excessive photocopying expenses and an unjustified travel expense. This proceeding remains open to address other related matters.
(Comr Bohn - ALJ Grau)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=379553

29
[8464] **I07-01-022 - Order Instituting Investigation to consider policies to achieve the Commission's Conservation Objectives for Class A Water Utilities.**

A06-09-006, A06-10-026, A06-11-009, A06-11-010, A07-03-019 - Related matters. This decision (D) awards \$72,441.77 to National Consumer Law Center for its substantial contribution to D08-02-036 and D08-08-030 for data collection. This award is a decrease of \$17,672.41 (19.6%) from the amount requested due to a miscalculation error and failure to make a substantial contribution for low-income ratepayer assistance issues. Payment of the award is allocated to Golden State Water Company, California Water Service Company, Park Water Company, Suburban Water Systems, and San Jose Water Company. This proceeding remains open to address other related matters.
(Comr Bohn - ALJ Grau)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=379683

30 (Rev.)
[8465] **R06-04-010 - Order Instituting Rulemaking to examine the Commission's Post-2005 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues.**

This decision (D) awards Natural Resources Defense Council \$32,919.47 in compensation for its substantial contributions to D08-07-047, and for participation in the Energy Efficiency Advisory Groups. This award represents a decrease of \$7,621.25 or approximately 19% from the amount requested due to excessive hours and unproductive efforts. Today's award will be allocated to the affected utilities. This proceeding remains open to address remaining issues of the proceeding.
(Comr Grueneich - ALJ Gamson)

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

05/06/2009 - This revision was not shown on the Agenda mailed to the public.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382843

Regular Agenda

Regular Agenda - Energy Orders

31 (Rev.) A08-03-015 - Southern California Edison Company (Applicant).

[8386]

This decision adopts a solar photovoltaic program (SPVP) to install 320 megawatts (MW) of solar photovoltaic (PV) on rooftops in the service territory of the Applicant. Under the adopted program, the Applicant will develop, own, operate and maintain 160 MW of solar PV rooftop projects and will seek competitive bids for the ownership, installation, and operation of another 160 MW of solar PV rooftop projects from independent, power producers. This proceeding is closed.

(Comr Peevey - ALJ Ebke)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

Agenda 3232, Item 49 4/16/2009 (Staff)

05/05/2009 - This revision was not shown on the Agenda mailed to the public.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382292

Regular Agenda - Energy Resolutions and Written Reports**32****Res G-3427 - Southern California Edison Company (SCE).**

[8343]

This resolution approves SCE's request to establish its Credit/Debit Card Bill Payment Option and rejects SCE's proposal to discontinue its Pay-by-Phone payment option. (Advice Letter (AL) 152-G, AL 2269-E and AL 67-W all filed, September 22, 2008)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Agenda 3231, Item 40 3/26/2009 (Staff);

Agenda 3232, Item 74 4/16/2009 (Staff)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382304

Regular Agenda - Communication Orders

33

[8317]

R06-05-028 - Rulemaking on the Commission's Own Motion to review the Telecommunications Public Policy Programs.

In 2006, the Commission opened this Rulemaking to evaluate California's universal service public policy programs in light of the competitive forces that had irrevocably changed how consumers purchase communication services. The Commission recognized that "business as usual" monopoly regulatory practices around traditional voice telephone were not sustainable in a competitive communication marketplace with various types of carriers with different technologies competing. Through this Rulemaking, the Commission set out to reform California LifeLine in order to ensure high-quality communication services were affordable and widely available to all. This decision recognizes significant technological and regulatory changes in the telecommunications industry and the flexibility of the statutory structure underlying the Moore Universal Telephone Service Act, which we now refer to as the California LifeLine Program (California LifeLine). The decision reviews the current state of California LifeLine including how, absent change, the fund will grow by more than 60% to almost \$500 million over the next few years. The decision recognizes that the current methodology is not in the best long-term interest of consumers and reviews the options for change. The decision "de-links" California LifeLine from the AT&T basic rate structure in order to ensure ongoing compliance with Section 874 of the Public Utilities Code, and determines that a Specific Support methodology is the best option to continue to meet the goals of the Moore Act and our overall universal service goals. The decision sets a Specific Support discount at 55 percent of the highest basic rate of the state's communications companies without regard to the telecommunication provider or technology of service selected. This has the advantage of providing each customer the same support amount and may provide greater flexibility to low income customers to select services beyond basic residential landline phone service, including voice services from cable providers or from wireless communications services. Such an approach acknowledges the range of providers of voice communications services beyond traditional landline telephones, and enhances technology neutrality by allowing a LifeLine customer to choose the provider that best meets his or her unique needs. The initial California LifeLine discount under the revised methodology will be \$12.20 effective on January 1, 2010. The decision also expands the LifeLine program to include data services for consumers that receive wireless equipment through the Commission's Deaf and Disabled Telecommunications Program (DDTP). Customers who meet the eligibility requirements for both the DDTP and California LifeLine programs can apply their California Lifeline discount to data services provided by carriers. The decision clarifies that wireless carriers may be reimbursed by California LifeLine for providing discounted service to customers, and modifies the income-based criteria to match the low income energy program (CARE) income-based criteria on an interim basis pending the outcome of the review the CPUC is conducting of the interim CARE income-based criteria. Finally, the decision eliminates extra payments to carriers for administration, bad debt, and to make-up for forgone federal support. This proceeding is closed.

(Comr Chong - ALJ Bushey)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.

Agenda 3232, Item 52 4/16/2009 (Grueneich)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382542

Regular Agenda - Communication Orders (continued)

34

[8432]

R_____ - Rulemaking on the Commission's own Motion into the Exemption from Public Utilities Code Section 851 for Uniform Regulatory Framework and other Competitive Carriers.

The Commission initiates a rulemaking to consider a full exemption from Public Utilities Code Section 851's requirements for the disposition or encumbrance of necessary and useful property for all telecommunications carriers in California except general rate case incumbent local exchange carriers. The rulemaking also considers whether conditions under Section 853(b) should be placed on that exemption.

Agenda 3232, Item 53 4/16/2009 (Simon)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382657

Regular Agenda - Communication Resolutions and Reports

35

[8452]

Res T-17197 - Mother Lode Broadband Project of Rapid Link Inc. and Mother Lode Internet (Mother Lode Broadband Project).

This resolution conditionally adopts California Advanced Services funding for Mother Lode Broadband Project in underserved areas totaling \$2,771,341.

Pub. Util. Code § 311 – This item was mailed for Public Comment.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=370609

Regular Agenda - Water/Sewer Orders**36**

[8199]

A08-05-002 - California Water Service Company (Cal Water).

For authority to establish its authorized Cost of Capital for the period from January 1, 2009 through December 31, 2011. A08-05-003, A08-05-004 - Related matters. This decision adopts 2009 Cost of Capital and a return on equity for Cal Water, California American Water Company, and Golden State Water Company. These proceedings remain open.

(Comr Bohn - ALJ Long)

Pub. Util. Code § 311 – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.

Agenda 3228, Item 68 1/29/2009 (Staff);

Agenda 3229, Item 59 2/20/2009 (Staff);

Agenda 3230, Item 40 3/12/2009 (Bohn);

Agenda 3231, Item 41 3/26/2009 (Bohn);

Agenda 3232, Item 56 4/16/2009 (Peevey)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382840

Regular Agenda - Legal Division Matters**37**

[8453]

FERC Docket No. PL09-4-000 - Smart Grid Policy

On March 19, 2009 the Federal Energy Regulatory Commission (FERC) requested comment on its proposed policy statement and action plan which will provide guidance to inform the development of a smarter grid for the nation's electric transmission system focusing on the development of key standards to achieve interoperability of smart grid devices and systems. FERC also proposes a rate policy for Smart Grid investments that demonstrate system security, compliance with Commission approved reliability standards, the ability to be upgraded and other specified criteria. Staff seeks the Commission's authorization to file comments in response to FERC's proposed policy statement action plan. Comments are due on May 11, 2009.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382636

38

[8472]

FCC Docket No. 09-28

In the Matter of High-Cost Universal Service Support / Federal-State Joint Board on Universal Service, FCC Docket No. 09-28. The Federal Communications Commission (FCC) seeks to refresh the record regarding the issues raised by the United States Court of Appeals for the Tenth Circuit in the Qwest II decision (FCC Docket No. 96-45).

39

[8477]

GN Docket No. 09-51

In the Matter of A National Broadband Plan for Our Future, GN Docket No. 09-51. The Federal Communications Commission (FCC) seeks comment to inform the development of a national broadband plan for our country, and specifically to enable the build-out and utilization of high-speed broadband infrastructure.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382306

Regular Agenda - Legislative and Other Matters

- 40**
[8435] **AB 44 (Blakeslee) - Energy Storage Facilities.**
This bill would authorize the California Public Utilities Commission (Commission) to approve an increase in the rate of return for investment by a corporation in energy storage facilities. This bill would also require the Commission to develop a time-variant tariff that creates incentives for eligible storage facilities.
Agenda 3232, Item 61 4/16/2009 (Staff)
- 41**
[8493] **AB 413 (Fuentes)**
This bill would make several changes that affect electric rates, including modifying eligibility for the California Alternate Rates for Energy (CARE) program, barring mandatory dynamic pricing for residential electric customers, and lifting the current cap on some residential electricity rates. This bill would also modify the low-income energy efficiency program and relax some statutory constraints on existing direct access arrangements, while removing any Commission discretion on the complete reopening of direct access. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382262
- 42**
[8501] **AB 560 (Skinner)**
This bill would increase the current cap on the amount of electricity that can be generated under the net-energy metering program from 2.5% to 10% of each utility's aggregate peak demand. (Leg Sub Recommendation: SUPPORT)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381690
- 43**
[8502] **AB 636 (Jones)**
This bill would require the Commission to permanently revoke the authority of a charter-party carrier if the carrier knowingly employs a non-licensed or inappropriately licensed driver, and requires a California Highway Patrol (CHP) officer to impound the bus if driven by a non-licensed driver. (Leg Sub Recommendation: SUPPORT)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381651
- 44**
[8503] **AB 698 (Skinner)**
This bill would streamline the Commission's approval process for the sale, lease or other encumbrance or disposition of public utility property. (Leg Sub Recommendation: SUPPORT)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381925

Regular Agenda - Legislative and Other Matters (continued)

- 45** **AB 709 (Hill)**
[8504] This bill would require airport charter-party carriers to undergo a criminal history background check and provide proof of compliance through the issuance of permit or certificate by the Commission. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381654
- 46** **AB 920 (Huffman)**
[8505] This bill would expand the current net-metering programs for wind and solar to allow the net-metered customers to sell any excess electricity they produce over the course of a year to their electric utility. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382224
- 47** **AB 951 (Lieu)**
[8506] This bill would increase fines and penalties provided in various sections of the Passenger Charter-Party Carrier Act. (Leg Sub Recommendation: SUPPORT)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381656
- 48** **AB 1023 (Ruskin)**
[8507] This bill would expand the project size eligibility for the existing feed-in tariff program. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
- 49** **AB 1031 (Blumenfield)**
[8508] This bill would expand the “local government renewable energy self-generation program” created by AB 2466 (Laird, 2008), which allows certain local government entities to generate renewable electricity at one location and apply the bill credits to a different location within the same local government. (Leg Sub Recommendation: OPPOSE)
- 50** **AB 1106 (Fuentes)**
[8509] This bill would require the Commission to develop a feed-in tariff for eligible renewable electric generation that is less than 20 MW in size. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
- 51** **AB 1315 (Ruskin)**
[8494] This bill would make the Governor’s appointment of the Commission’s president subject to confirmation by the Senate, as well as remove the president’s administrative authority over the general counsel and executive director and transfer it to the Commission as whole. This bill would also require the Commission to hold its regular business meetings in Sacramento once a month. (Leg Sub Recommendation: OPPOSE)

Regular Agenda - Legislative and Other Matters (continued)

- 52**
[8510] **AB 1316 (Ma)**
This bill would require the Low-Income Oversight Board (LIOB) to review and make recommendations on the proposed budgets for low-income electricity, gas, and water programs prior to approval by the Commission. In addition, the bill would require the Commission, the LIOB, or both, to report the results, to the extent possible, of each Low Income Needs Assessment biannually to the Legislature. Further, this measure would delete the LIOB's authority to establish a technical advisory committee, but instead would require the LIOB to establish a regulatory advisory. (Leg Sub Recommendation: OPPOSE)
- 53**
[8499] **SB 32 (Negrete McLeod)**
This bill would modify the existing feed-in tariff (FIT) program established in the PU Code 399.20. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381849
- 54**
[8498] **SB 409 (Ducheny)**
This bill would create the Department of Railroads in the Business, Transportation and Housing Agency and would transfer to that Department responsibilities for various state railroad programs currently administered by the Commission. (Leg Sub Recommendation: OPPOSE)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381920
- 55**
[8497] **SB 412 (Kehoe)**
This bill would extend the Self-Generation Incentive Program one year to 2013 and permits the Commission to provide incentives for any distributed generation resources that the Commission determines will support the state's goals for reductions of greenhouse gas emissions. (Leg Sub Recommendation: SUPPORT)
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381661
- 56 (Rev.)**
[8500] **SB 542 (Wiggins)**
This bill would require the Commission, by July 1, 2010, to develop and implement a strategy to expand the participation rates of multiunit residential and commercial rental properties in utility energy efficiency and solar energy programs, and to report to the Legislature on that strategy. The strategy must not result in any additional ratepayer surcharges and be funded through existing programs. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
04/30/2009 - This revision was not shown on the Agenda mailed to the public.
http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=381686

Regular Agenda - Legislative and Other Matters (continued)**57 (Rev.)**

[8495]

SB 695 (Kehoe)

This bill would make several changes that affect electric rates, including modifying eligibility for the California Alternate Rates for Energy (CARE) program, barring mandatory dynamic pricing for residential electric customers, and lifting the current cap on some residential electricity rates. This bill would also modify the low-income energy efficiency program and relax some statutory constraints on existing direct access arrangements, while removing any Commission discretion on the complete reopening of direct access. (Leg Sub Recommendation: OPPOSE UNLESS AMENDED)
05/01/2009 - This revision was not shown on the Agenda mailed to the public.

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382258

58

[8496]

SB 805 (Wright)

This bill would increase the renewable portfolio standard (RPS) target from 20% in 2010 to 33% in 2020. (Leg Sub Recommendation: SUPPORT WITH AMENDMENTS)

http://docs.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=382030

Regular Agenda - Commissioner's Reports

Regular Agenda - Management Reports and Resolutions

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Sections 11125.2 and 11126.3(f).

Closed Session - Applications for Rehearing

59

[8443]

Conference with Legal Counsel - Applications for Rehearing

Compilation of applications for rehearing recently filed with the Commission.

Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.

60

[8234]

A06-12-009 - Conference with Legal Counsel - Application for Rehearing

A06-12-010, I07-02-013 - Related matters. Disposition of Applications for Rehearing of Decision (D) 08-07-046, filed by the Greenlining Institute (Greenlining), and Division of Ratepayer Advocates (DRA) and The Utility Reform Network (TURN). D08-07-046 involves the Test Year 2008 general rate cases for San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas). The Commission adopted a settlement on many of the issues.

Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.

Agenda 3228, Item 76 1/29/2009 (Staff);

Agenda 3229, Item 67 2/20/2009 (Staff);

Agenda 3230, Item 46 3/12/2009 (Staff);

Agenda 3231, Item 47 3/26/2009 (Staff);

Agenda 3232, Item 68 4/16/2009 (Staff)

61

[8475]

A08-12-004 - Conference with Legal Counsel - Application for Rehearing

Disposition of application for rehearing of Resolution ROSB-002 (ROSB-002) filed by Union Pacific Railroad Company (UPRR) and BNSF Railway Company (BNSF.) ROSB-002 approves a citation program under the administration of the Director of the Consumer Protection and Safety Division (CPSD) for enforcing compliance with certain General Orders and other requirements for railroad carriers operating in California. The citation program will enforce compliance with the requirements for walkways, clearances, and certain railroad operating rules agreed to by UPRR and BNSF in Union Pacific Railroad Co. v. CPUC, Case No. 07-cv-001 (E.D. Cal. June 1, 2007) (AB 3023 Suit), and Staff is authorized to draft and issue citations for specific violations and levy penalties in specified amounts.

Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.

Closed Session - Initiation of Litigation - Non-Federal

Consideration of possible Commission initiation of, or intervention in, litigation.

Gov. Code § 11126(e)(2)(C)(i) and/or § 11126(d)(2), allows this item to be considered in Closed Session.

Closed Session - Threatened Litigation - Non-Federal

Significant exposure to litigation

Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session

Closed Session - Existing Litigation - Non-Federal

Closed Session - Threatened Litigation - Federal

Significant exposure to litigation in federal agency or court proceedings.

Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session

Closed Session - Initiation of Litigation - Federal

Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings.

Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.

Closed Session - Federal**63**

[8444]

FERC Docket No. ER06-615 and Related Items. - Conference with Legal Counsel - Existing Litigation

California Independent System Operator Corporation, FERC Docket No. ER06-615, also known as Market Redesign and Technology Update (MRTU).

Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.

64

[8489]

FERC Docket No. ER08-1318. - Conference with Legal Counsel- Existing Litigation

Pacific Gas and Electric Company, FERC Docket No. ER08-1318.

Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.

65

[8490]

FERC Docket No. ER08-413 - Conference with Legal Counsel - Existing Litigation.

Startrans IO, LLC, FERC Docket No. ER08-413.

Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.

Closed Session - FERC Docket No. EL00-95-000, et al.

Conference with Legal Counsel - Existing Litigation; San Diego Gas & Electric Co., FERC Docket No. EL00-95, Investigation of Practices of the California Independent System Operator and the California Power Exchange, FERC Docket EL00-98, and related dockets, CPUC v. FERC, Ninth Circuit Nos. 01-71051, et al., and 01-71934, et al., and related dockets.

Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.

Closed Session - Personnel Matters

Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.

Gov. Code § 11126(a), allows this item to be considered in Closed Session